

September 9, 1997

TO: Members of the MAG Regional Council

FROM: Mayor Elaine Scruggs, Glendale, Chairman

SUBJECT: MEETING NOTIFICATION AND TRANSMITTAL OF TENTATIVE AGENDA

Meeting - 5:00 p.m.

Wednesday, September 17, 1997

MAG Office, Suite 200 - Saguaro Room (new location-see enclosed map)
302 North 1st Avenue, Phoenix

Dinner - 6:30 p.m.

MAG Office, Suite 300

Please park in the garage under the Norwest Bank Building. Parking places will be reserved for Regional Council members on the first and second levels of the garage. Bring your ticket to the meeting, parking will be validated.

The next Regional Council meeting will be held at our new MAG offices at the time and place noted above. Members who wish to remove any items from the Consent Agenda are requested to contact the MAG office. MAG will host a progressive dinner/reception for the Regional Council members following the meeting in the MAG offices on the 3rd floor. Supporting information is enclosed for your review.

If you have any questions, please call the MAG office.

**MAG REGIONAL COUNCIL
TENTATIVE AGENDA
September 17, 1997**

COUNCIL ACTION REQUESTED

1. Call to Order

2. Pledge of Allegiance

3. Approval of July 30, 1997 Meeting Minutes

4. Call to the Audience

An opportunity will be provided to members of the public to address the Regional Council for items that are not included on the agenda. Citizens will be requested not to exceed a three minute time period for their comments. A total of 15 minutes will be provided for the Call to the Audience agenda item, unless the Regional Council requests an exception to this limit.

5. Showcased Agency Introduction

As part of the MAG restructuring effort, an opportunity is provided for a MAG member agency to showcase its community. Maricopa County will be featured at this meeting.

6. Executive Director's Report

Jim
Bourey

The MAG Executive Director will provide a report to the Regional Council on activities of general interest.

7. Approval of Consent Agenda

Prior to action on the consent agenda, members of the audience will be provided an opportunity to comment on consent items that are being presented for action. Following the comment period, Council members may request that an item be removed from the consent agenda. Consent items are marked with an asterisk.

3. Review and approve July 30, 1997 meeting minutes.

4. For information.

5. For information and discussion.

6. For information and discussion.

7. For information, discussion and approval of the Consent Agenda.

*** ITEMS PROPOSED FOR CONSENT****TRANSPORTATION ITEMS*****8. Red Letter Notifications**

In June 1996, the Regional Council approved the revised Arizona Department of Transportation (ADOT) Red Letter Process. This process requires MAG member agencies to notify ADOT of potential development activities in freeway alignments, including actions on plans, zoning and permits. The purpose of this process is to coordinate actions to help prevent new developments from being built in the future freeway right-of-way. The process requires that notifications be placed on the Management Committee and Regional Council agendas for information, with no action requested. Ten red letter notifications are being presented for information with no action requested. Please refer to the enclosed material.

8. For information and discussion.

***9. Consultant Selection for the MAG Special Transportation Needs Study**

In May 1997, the Regional Council approved the FY 1998 MAG Unified Planning Work Program which included a Special Transportation Needs Study. The purpose of the study is to develop a plan to meet the transportation needs of low income workers and people with functional limitations that normally prevent them from driving or taking the bus. The focus of the study will be on welfare recipients and low income workers, as well as people who are elderly or who have disabilities. A Request for Proposals was advertised and one proposal was received. A multi agency group reviewed the proposal and interviewed the consultant. The review group recommended to MAG that Transit Plus, Inc. be selected to conduct the Special Transportation Needs Study for an amount not to exceed \$79,973. The Management Committee concurred with this recommendation. Please refer to the enclosed material.

9. For information, discussion, and approval to select Transit Plus Inc. to conduct the Special Transportation Needs Study for an amount not to exceed \$79,973.

*10. Recommendation to Allow Additional Obligation Authority for the City of Tempe Traffic Signal System Project

In December 1993, the MAG Transportation Improvement Program (TIP) Committee (now the MAG Street Committee) approved an additional \$57,000 in MAG Federal Funds for the Tempe Traffic Signal System Project. At that time, additional requests for funds were approved by the TIP Committee and Obligation Authority (OA) was provided from a Statewide OA Pool. However, this OA Pool is no longer in use and MAG jurisdictions are now self reliant for federally funded projects. The required action to utilize OA from the Statewide pool was not carried out in time and it is requested that \$57,000 in FY 1997 OA be used to cover the FY 1993 approval of funds during the current federal closeout of this project. This recommendation was unanimously supported by the Transportation Review Committee at their July 1997 meeting. The Management Committee concurred with this recommendation. Please refer to the enclosed material.

*11. Acceptance of Federal Aviation Administration Continuous Aviation System Planning Grant

The 1997 MAG Unified Planning Work Program, approved by the Regional Council in April 1996, included a Continuous Aviation System Planning Program (CASPP) work element. This work element enables MAG to continue its aviation planning activities in support of airport development to meet the long-term air transportation needs of the region. MAG has applied to the Federal Aviation Administration (FAA) for an \$80,000 CASPP grant and it is anticipated that a grant offer will be made by the FAA in September 1997. The Management Committee recommended acceptance of the grant offer. Please refer to the enclosed material.

10. For information, discussion and approval to allocate \$57,000 in FY 1997 MAG Obligation Authority for the closeout of the City of Tempe Traffic Signal System Project.

11 For information, discussion and acceptance of the Federal Aviation Administration grant.

AIR QUALITY ITEMS***12. Amendment of the MAG Regional PM-10 Modeling Consultant Contract**

In December 1996, the Regional Council selected Harding Lawson Associates to conduct the PM-10 regional modeling and analysis. The primary objectives of the study are to develop a protocol for regional scale PM-10 modeling, project the 1994 emission inventories to future years, and model future year PM-10 concentrations accounting for committed control measures. The Environmental Protection Agency requires these tasks to be part of the Serious Area PM-10 plan that is due December 10, 1997. To meet the EPA deadlines, the HLA analysis utilized population and employment forecasts that were available when the contract was initiated. The Regional Council has since adopted new forecasts, based on the 1995 Special Census. The PM-10 modeling needs to be updated to reflect these forecasts. Also, additional modeling is needed to analyze commitments for air quality control measures. MAG is requesting that the HLA contract be amended for an additional \$60,000 to address these needs. The Management Committee concurred with amending the HLA contract. Due to the immediacy of initiating this work, on September 11, 1997, the Executive Committee will be requested to approve amending the HLA contract. Please refer to the enclosed material.

12. For information, discussion and ratification of the Regional Council Executive Committee action to approve amending the consultant contract with Harding Lawson Associates for an additional amount of \$60,000.

GENERAL ITEMS***13. Approval of Draft MAG 2000-2020 Nonresident Population Projections by Municipal Planning Area, Regional Analysis Zone, and Traffic Analysis Zone**

In June and July 1997, the Regional Council approved a set of socioeconomic projections. These projections included total resident population by subregional areas. MAG also prepares projections of nonresident population for use in transportation modeling and other planning programs. In July MAG staff drafted nonresident

13. For information, discussion and approval of the Draft MAG 2000-2020 Nonresident population projections by Municipal Planning Area, Regional Analysis Zone and Traffic Analysis Zone.

population projections based on the 1995 Special Census and using procedures developed for MAG in a data enhancement project. On August 21, 1997, the MAG Population Technical Advisory Committee unanimously recommended approval of the Draft MAG 2000-2020 Nonresident Population Projections by Municipal Planning Area, Regional Analysis Zone and Traffic Analysis Zone. The Management Committee concurred with the POPTAC recommendation. Please refer to the enclosed material.

*14. NII Service Codes for Non-Emergency Service

In December 1993, the Regional Council established the MAG 9-1-1 Oversight Team to assist in the coordination of the 9-1-1 emergency telephone service. One issue being addressed by the Oversight Team is the use of NII service codes for non emergency service. In other metropolitan areas, three digit service code numbers, such as 3-1-1, are being used for non emergency issues. This is being done to relieve some of the non emergency calls on the 9-1-1 system and to provide better service to citizens. To insure that these NII service codes are being implemented in a uniform manner throughout the metropolitan area, the Oversight Team is recommending that MAG be included in the Arizona Corporation Commission or number plan review process prior to any additional issuances of unique service code assignments. The Management Committee concurred with the Oversight Team recommendation. Please refer to the enclosed material.

*15. Coordination of Census 2000

The Bureau of the Census is making preparations for undertaking the 2000 Census. The results of the Census are used to reapportion Congressional seats, to distribute billions of state and federal funds and to provide data for regional and local planning. The Bureau of the Census wishes to create partnerships with local and tribal governments to achieve the best possible count. To facilitate this partnership, we are requesting

14. For information, discussion and approval to request the Arizona Corporation Commission or other number plan organizations to include MAG as the regional 9-1-1 coordination entity in the review process prior to any additional issuances of unique service code assignments.

15. For information, discussion and approval to expand the purpose of the MAG Population Technical Advisory Committee to provide a forum to work in partnership with the Bureau of the Census on Census 2000.

that a portion of each agenda of the existing Population Technical Advisory Committee (POPTAC) be dedicated to discuss Census 2000 issues. This expansion of the role of the POPTAC would be in lieu of establishing another committee to coordinate census issues. The Management Committee concurred with this recommendation. Please refer to the enclosed material.

ITEMS PROPOSED TO BE HEARD

TRANSPORTATION ITEM

16. Proposed Revised MAG Freeway Program Loan Policy and Guidelines

On May 28, 1997, the MAG Regional Council adopted revised guidelines for the reimbursement of funds advanced by local jurisdictions to accelerate projects in the MAG Regional Freeway Program. During the discussion of the proposed guidelines, the Chairman of the Citizens Transportation Oversight Committee, suggested changing a provision in the guidelines so the discount factor used to calculate the amount of reimbursement would be the rate set within 12 months of the initiation of construction. Staff was directed to study the suggested change for possible future action by the Regional Council. Following this review, it is recommended that the discount factor for the project be set by ADOT for the program year in which the project is scheduled to begin. Additionally, staff is recommending that the discount factor be the one applicable to the type of project being accelerated, i.e., right-of-way, construction or design. The Management Committee concurred with these recommendations. Please refer to the enclosed material.

17. City of Chandler Proposal to Accelerate the Warner Road to Frye Road Segment of the Price Freeway

The City of Chandler proposes to advance the completion of the Warner Road to Frye Road segment of the Price Freeway to December 2000

16. For information, discussion and approval of the revised Loan Reimbursement Guidelines for the MAG Regional Freeway System.

17. For information, discussion and approval of the Chandler proposal to advance the completion of the Warner to Frye Road section of the Price Freeway from December 2001 to December 2000 contingent upon the required air quality conformity actions being completed.

from December 2001. This acceleration would allow the opening of the remaining section of the Price Freeway at about the same time as the Elliott Road to Warner Road segment of the Price Freeway is completed in late 2000. Under this proposal, Chandler would loan the Program up to \$26.0 million dollars to advance the project. Chandler would be reimbursed a portion of the interest expense of this loan based on one-half of the construction discount factor used by ADOT. The discount factor will be set by ADOT in the preparation of the FY 1999 to FY 2006 Tentative Life Cycle Program that is due to be released in January 1998. The MAG Fiscal Analysis Unit reviewed the proposal and compared it to the adopted Loan Reimbursement Guidelines. The proposal was found to be in conformance with the adopted guidelines with the exception of the discount rate to be used. The guidelines adopted in May 1997 use the discount factor in place at the time the agreement is executed rather than factor to be set in January. The proposed change to the MAG Guidelines, if adopted, would make the Chandler proposal and the MAG Guidelines consistent. The Management Committee recommended approving the Chandler proposal. Please refer to the enclosed material.

18. City of Mesa Proposal to Accelerate the Country Club to Gilbert Road Segment of the Red Mountain Freeway

The City of Mesa proposes to advance the completion of the Country Club to Gilbert Road segment of the Red Mountain Freeway to January 2002 from December 2003. Under this proposal, Mesa would lend the Program \$24.0 million to advance the design and right-of-way acquisition. They will borrow the funds from the State Infrastructure Bank (SIB). If costs are higher, Mesa would advance additional funds from other sources. Mesa would be reimbursed a portion of the interest expense of this loan based on one-half of the right-of-way discount factor used by ADOT or 2.275 percent, whichever is greater. The right-of-way discount factor will be set by ADOT in the preparation of the FY 1999 to FY 2006

18. For information, discussion and approval of the Mesa proposal to advance the completion of the Red Mountain Freeway from Country Club Road to Gilbert Road from December 2003 to January 2002 contingent upon the required air quality conformity actions being completed.

Tentative Life Cycle Program that is due to be released in January 1998. The right-of-way and design loan would be repaid by ADOT along with the eligible interest payment according to the schedule set forth in the Life Cycle Program. The repayment schedule for the design and right-of-way loan would be adjusted as any other project in the Program if available funds are higher or lower than expected. Mesa will also provide a loan to the Program for construction of the project. The estimated construction cost is \$34.0 million (1997 dollars). Mesa would be repaid according to the schedule for the unaccelerated project in the Program. The repayment schedule for the construction loan would be adjusted as any other project in the Program if available funds are higher or lower than expected. The MAG Fiscal Analysis Unit reviewed the proposal and compared it with the adopted Loan Reimbursement Guidelines. The proposal was found to be in conformance with the adopted guidelines except for the discount rate to be used. The guidelines adopted in May 1997 use the discount factor in place at the time the agreement is executed rather than the factor to be set in January. The proposed change to the MAG Guidelines, if adopted, would make the Mesa proposal and the MAG Guidelines consistent. The Management Committee recommended approving the Mesa proposal. Please refer to the enclosed material.

19. City of Scottsdale Proposal to Accelerate the Pima Road to Scottsdale Road Segment of the Pima Freeway

The City of Scottsdale proposes to advance the completion of the Pima Road to Scottsdale Road segment of the Pima Freeway to the fourth quarter of 2000 from September 2003. Under this proposal, Scottsdale would lend the Program \$26.2 million to advance the design and construction. This segment is currently programmed in two phases. Phase A is an interim roadway to be finished in June 1999. Phase B completes the full freeway and is programmed to begin in July 2002 with completion in September

19. For information, discussion and approval of the Scottsdale proposal to advance the completion of the Pima Freeway from Pima Road to Scottsdale Road from September 2003 to the fourth quarter of 2000 contingent upon the required air quality conformity actions being completed.

2003. The Scottsdale proposal would eliminate the interim phase and complete the full freeway by the fourth quarter of 2000. Scottsdale would be reimbursed part of the interest expense of this loan based on one-half of the construction discount factor used by ADOT. Scottsdale would also be reimbursed \$5.92 million for part of the expenditures the City is making for drainage systems in the area. The amount to be reimbursed is the portion of the total expenditure that is directly attributable to the freeway. If Scottsdale was not making the drainage improvements, the cost of the drainage systems would have to be added to the cost of the freeway segment. The MAG Fiscal Analysis Unit has reviewed the proposal and compared it with the adopted Loan Reimbursement Guidelines. The proposal is found to be in conformance with the adopted guidelines except for the discount rate to be used. The guidelines adopted in May 1997 use the discount factor in place at the time the agreement is executed rather than factor to be set in January. The proposed change to the MAG Guidelines, if adopted, would make the Scottsdale proposal and the MAG Guidelines consistent. The Management Committee recommended approval of the Scottsdale proposal. Please refer to the enclosed material.

20. Arizona Department of Transportation July 31, 1997 Certification of Costs and Revenues for the MAG Freeway Program

Semiannually, ADOT updates the costs and revenues for the MAG Regional Freeway Program. The July 31, 1997 Certification shows a \$67 million increase in funding for the program. Almost all of the increase is due to reduced interest expense for planned bond issues and higher interest earnings. The 1997 Performance Audit for the Maricopa County Regional Freeway Program recommended that ADOT use lower interest rate assumptions for future bond issues. Lower bond interest rates lower the debt service payments and increases the funds available for freeway projects. The audit also recommended that ADOT use higher cash balance percentage assumptions in its calculation of interest earnings. These two adjustments were somewhat

20. For information, discussion and approval of the July 31, 1997 Certification of Costs and Revenues for the MAG Regional Freeway System.

offset by higher construction and right-of-way costs of \$38 million. The higher costs were in the Pima, Price and Red Mountain corridors. The net increase of \$29 million occurs in the later years of the Life Cycle Program. The next Certification, scheduled to be released in January 1998, will use different discount (or inflation) factors for construction and right-of-way and will incorporate a change in the way the factors are applied in the Program. The net effect should be an increase in funding available. The next Certification will also include new revenue projections and cost estimates based on the expert panel input as part of the Risk Analysis Process (RAP). The Management Committee recommended approval of the Certification. Please refer to the enclosed material.

21. Performance Audit Report on the Maricopa County Regional Freeway Program

The Office of the Auditor General of the State of Arizona contracted with David M. Griffith & Associates to conduct a performance audit of the Regional Freeway Program. This audit is the first complete audit of the management of the Program since 1991. The 1991 KPMG audit resulted in a number of management improvements. The major findings of the audit are presented in the transmittal letter from David M. Griffith & Associates and the Executive Summary. Written responses to the audit recommendations were provided by the Arizona Department of Transportation and MAG. Please refer to the enclosed material.

22. Endorsement of Southwest Passage Strategy for Inclusion in the Reauthorization of the Intermodal Surface Transportation Efficiency Act

For several months, MAG has been participating with other states and planning entities in developing an integrated and comprehensive trade/transportation strategy for the East-West trade corridor, named the Southwest Passage. The objective of the Southwest Passage Strategy is to connect the East-West trade routes along the U.S./Mexico border with a seamless freight transportation system. This system would provide the backbone for the regional goods movement network and link Southwestern industries with the

21. For information and discussion.

22. For information, discussion and endorsement of the Southwest Passage Strategy for inclusion into the reauthorization of the Intermodal Surface Transportation Efficiency Act.

world market. Strengthening modal linkages and intermodal access, as well as mitigating adverse impact of trade growth, including traffic congestion, air pollution, vehicle delays at grade crossings, and noise in residential areas, will also be key elements of the strategy. At a meeting on August 20, 1997, the Southwest Passage Group agreed that their respective governing bodies be requested to endorse the Southwest Passage Strategy and have it be included in the reauthorization of the Intermodal Surface Transportation Efficiency Act. This would provide planning funds for further development of the corridor. The Management Committee recommended endorsing the Southwest Passage Strategy for inclusion into the reauthorization of the Intermodal Surface Transportation Efficiency Act. Please refer to the enclosed material.

AIR QUALITY ITEMS

23. Local Measures Needed to Address Existing Unpaved Roads, Road Shoulders and Access Points, Parking Lots, Vacant Lots and Weed Abatement

Under a court order, the Arizona Department of Environmental Quality and Maricopa County have been working for several months with local government staff on measures to reduce particulates from existing unpaved roads, road shoulders and access points, parking lots, vacant lots and weed abatement. Commitments to develop ordinances for these items need to be submitted to MAG by November 7, 1997 for the Serious Area Plan (due December 10, 1997). The ordinances need to be adopted locally by February 20, 1998. These measures are important to prevent a Federal Implementation Plan from being imposed by the Environmental Protection Agency by March 20, 1998. Please refer to the enclosed material.

23. For information and discussion.

GENERAL ITEMS24. Update on Arizona Works Pilot Program

In July, a report was provided to the Management Committee and Regional Council on the Arizona Works Pilot Program. This program privatizes the delivery of welfare services and replaces Aid to Families with Dependent Children. An Arizona Works Agency Procurement Board, comprised of nine members, has been appointed by the Governor, and will award a contract with a private vendor January 1, 1999 to operate a pilot program in thirteen cities in Maricopa County. The Procurement Board held it's first meeting on August 19, 1997. At that meeting a request was made to allow the cities to share their concerns and recommendations with the Procurement Board. Affected cities have reviewed the program and have provided recommendations of the elements to include in the Request for Proposals for the private vendor for the Arizona Works Pilot Program. The Management Committee recommended approval of the recommendations. Please refer to the enclosed material.

24. For information, discussion and approval of the elements to include in the Request for Proposals for the private vendor for the Arizona Works Pilot Program.